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Transcript Exhibit(s)

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AZ CORP COMMISSION
DOCKET CONTROL

Docket #(s): T-20937A-15-0290

Arizona Corporation Commission

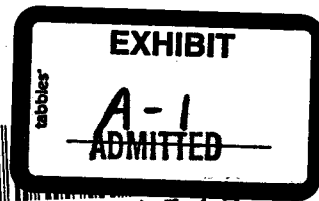
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BEFORE THE ARIZONA CORPORATION

COMMISSIONERS
SUSAN BITTER SMITH - CHAIRMAN
BOB STUMP
BOB BURNS
DOUG LITTLE
TOM FORESE

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AZ CORP COMMISSION
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Arizona Corporation Commission
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IN THE MATTER OF THE APPLICATION OF) DOCKET NO. T-
DIGITAL TRANSPORTATION CORPORATION)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO PROVIDE) **APPLICATION**
PRIVATE LINE TELECOMMUNICATIONS)
SERVICES IN ARIZONA.)
T-20937A-15-0290

Digital Transportation Services Corporation ("DTC") applies to the Arizona Corporation Commission for a Certificate of Convenience and Necessity ("CC&N") to provide Private Line Telecommunications Services in Arizona pursuant to A.R.S. §§ 40-281, 40-282, and A.A.C. R14-2-1105.

1. DTC seeks authority to provide private line service in Arizona. DTC will be providing dedicated, fiber optic capacity between specific locations for its customers. The service is for large enterprises, such as companies or governmental organizations.

2. DTC currently is certificated to provide telecommunications service in California pursuant to a Certificate issued by the California Public Utilities Commission ("CPUC") in 2012. DTC remains in good standing with the CPUC. DTC seeks to expand its private line service to Arizona.

3. Attached to this Application is the Utilities Division's standard form for telecommunications CC&N applications, including the standard attachments. DTC's proposed tariff is Attachment B. DTC will provide its financial statements on a confidential basis to the Utilities Division, pursuant to the Division's standard Protective Agreement. DTC will publish notice in accordance with the Procedural Order to be issued by the Commission's Hearing Division in this matter.

1 4. Please direct any communications regarding this Application, including data
2 requests, to DTC's attorneys:

3 Michael W. Patten
4 Timothy J. Sabo
5 Snell & Wilmer L.L.P.
6 400 East Van Buren, 19th Floor
7 Phoenix, Arizona 85004-2202
8 602.382.6339 (Patten)
9 602.382.6347 (Sabo)
10 602.382.6070 (Fax)
11 mpatten@swlaw.com
12 tsabo@swlaw.com

13 with a copy of any data requests to:

14 Steven Kasower
15 Chief Executive Officer
16 Digital Transportation Corporation
17 1720 Q Street, Sacramento, CA 95811,
18 916.538.1720
19 916.442.3109
20 steve@digitaltranscorp.com

21 5. DTC maintains a customer service line where customers may call with billing or
22 service complaints including reporting service outages. The hours of operation are 9:00 A.M. to
23 5:00 P.M., Pacific Standard Time. The customers may contact the call center at 1-916-442-1477
24 or by email at info@digitaltranscorp.com.

25 6. Approval of this Application is in the public interest because DTC will provide
26 another option to enterprise customers in Arizona seeking private line service. DTC has
27 demonstrated through its successful operations in California that it has the managerial, technical
28 and financial capability to provide service.

 7. DTC also requests that its services be classified as competitive in accordance with
A.A.C. R14-2-1108(C). The telecommunications market in Arizona is highly competitive. The
Commission has recognized that private line service is competitive in Decision No. 72050
(January 6, 2011) for Telequality Communications, Inc., and Decision No. 74899 (January 22,
2015) for Threshold Communications, Inc.

1 8. DTC will comply with all applicable rules of the Commission, including without
2 limitation the equal access requirements of A.A.C. R14-2-1111, the interconnection requirements
3 of A.A.C. R14-2-1112, the Universal Service Fund requirements of A.A.C. R14-2-1113, and the
4 service quality requirements of A.A.C. R14-2-1114.

5 WHEREFORE, Digital Transportation Corporation respectfully requests that:

6 A. That the Utilities Division timely review this Application and issue a Staff Report
7 regarding the Application as soon as reasonably possible.

8 B. That the Hearing Division issue a Procedural Order setting a hearing in this matter
9 and establishing the required public notice and other procedural requirements.

10 C. After the conclusion of the hearing, upon consideration of the evidence and the
11 recommendation of the Utilities Division and the recommended order of the Administrative Law
12 Judge, that the Commission approve this Application and issue an Opinion and Order granting
13 DTC a Certificate of Convenience and Necessity to provide private line telecommunications
14 services in Arizona.

15
16 RESPECTFULLY SUBMITTED this 13th day of August, 2015.

17
18 SNELL & WILMER L.L.P.

19
20 By Timothy J. Sabo
21 Timothy J. Sabo
22 One Arizona Center
23 400 East Van Buren Street
24 Phoenix, Arizona 85004

25 Attorney for Digital Transportation Corporation
26
27
28

1 Original and thirteen copies of the foregoing
2 filed this 13th day of August, 2015, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 Copy of the foregoing hand-delivered/mailed
8 this 13th day of August, 2015, to:

9 Dwight Nodes
10 Acting Chief Administrative Law Judge
11 Hearing Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

15 Janice M. Alward
16 Chief Counsel, Legal Division
17 Arizona Corporation Commission
18 1200 West Washington Street
19 Phoenix, Arizona 85007

20 Thomas Broderick
21 Director, Utilities Division
22 Arizona Corporation Commission
23 1200 West Washington Street
24 Phoenix, Arizona 85007

25 By *Jacklyn Howard*

26 22170649
27
28

**APPLICATION
CERTIFICATE OF CONVENIENCE & NECESSITY**

If the Applicant wants to provide any type of Non-Customer Owned Pay Telephone ("COPT") telecommunications services in Arizona, provide the Arizona Corporation Commission ("Commission") with information being requested.

Remember that information submitted for a Certificate of Convenience and Necessity ("CC&N") will be made part of the public record (including financial statements). Any information designated as confidential will not be accepted by Docket Control. Mail your original CC&N application plus thirteen (13) copies to Arizona Corporation Commission, Docket Control, 1200 W. Washington Street, Phoenix, AZ 85007-2927.

Make sure you use the Application form dated May 24, 2010. Also, make sure you answer each numbered item and part of the item in each section of the Application form. If you do not use the correct Application form and/or do not completely answer the numbered item(s), Staff will request the Applicant to re-submit the Application form and/or complete any of the numbered item(s) and part of the item in a data request. In order for Staff to review your Application, complete the following form. Thank you.

ARIZONA CORPORATION COMMISSION

Application and Petition for Certificate of Convenience and Necessity to Provide
Intrastate Telecommunications Services

Mail original plus 13 copies of completed application to:

For Docket Control Only:
(Please Stamp Here)

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007-2927

Please indicate if you have current applications pending
in Arizona as an Interexchange reseller, AOS provider,
or as the provider of other telecommunication services.

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and mark the appropriate box(s).

- ☐ Resold Long Distance Telecommunications Services (Answer Sections A, B).
- ☐ Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
- ☐ Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
- ☐ Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, C, D, E)
- ☐ Alternative Operator Services Telecommunications Services (Answer Sections A, B)
- ☒ Other **PRIVATE LINE SERVICE** (Please attach complete description)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

The Digital Transportation Corporation, 1720 Q Street, Sacramento, CA 95811, phone: 916-538-1720, fax: 916-442-3109, email: steve@digitaltranscorp.com.

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

N/A

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

Steven Kasower, 1720 Q Street, Sacramento, CA 95811, phone: 916-538-1720, fax: 916-442-3109, email: steve@digitaltranscorp.com.

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

**Michael W. Patten
Timothy J. Sabo
Snell & Wilmer L.L.P.
400 East Van Buren, 19th Floor
Phoenix, Arizona 85004-2202
602.382.6339 (Patten)
602.382.6347 (Sabo)
602.382.6070 (Fax)
mpatten@swlaw.com
tsabo@swlaw.com**

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Complaint Contact Person:

Steven Kasower, 1720 Q Street, Sacramento, CA 95811, phone: 916-538-1720, fax: 916-442-3109, email: steve@digitaltranscorp.com.

(A-7) What type of legal entity is the Applicant? Mark the appropriate box(s) and category.

☐ Sole proprietorship

☐ Partnership: ☐ Limited, ☐ General, ☐ Arizona, ☐ Foreign

☐ Limited Liability Company: ☐ Arizona, ☐ Foreign

☒ Corporation: ☒ "S", ☐ "C", ☐ Non-profit

☐ Other, specify: _____

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC, or other entity in Arizona.
2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).

3. Indicate percentages of ownership of each person listed in A-8.2.

Attachment A is attached.

(A-9) Include your Tariff as "Attachment B".

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number).
2. Tariff Maximum Rate and Prices to be charged (reference by Tariff page number).
3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).
4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number).
5. The proposed fee that will be charged for returned checks (reference by Tariff page number).

A proposed tariff is included as Attachment B.

(A-10) Indicate the geographic market to be served:



Statewide. (Applicant adopts statewide map of Arizona provided with this application).



Other. Describe and provide a detailed map depicting the area.

(A-11) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any formal or informal complaint proceedings before any state or federal regulatory commission, administrative agency, or law enforcement agency.

Describe in detail any such involvement. Please make sure you provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

None.

(A-12) Indicate if the Applicant or any of its officers, directors, partners, or managers has been or are currently involved in any civil or criminal investigation, or had judgments entered in any civil matter, judgments levied by any administrative or regulatory agency, or been convicted of any criminal acts within the last ten (10) years.

Describe in detail any such judgments or convictions. Please make sure you provide the following information:

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

None.

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

☒ Yes

☐ No

(A-14) Is Applicant willing to post a Performance Bond? Please check appropriate box(s).

☒ For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

☐ Yes

☒ No

If "No", continue to question (A-15).

☐ For Local Exchange Resellers, a \$25,000 bond will be recommended.

☐ Yes

☐ No

If "No", continue to question (A-15).

☐ For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

☐ Yes

☐ No

If "No", continue to question (A-15).

☐ For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

☐ Yes

☐ No

If any box in (A-14) is marked "No", continue to question (A-15).

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If any box in (A-14) is marked "No", provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the Applicant's superior financial position limits any risk to Arizona consumers.

The Commission has generally stopped requiring bonds for telecommunications carriers. Bonds are no longer appropriate given the current highly competitive nature of the telecommunications market, where customers have numerous options for service. The Applicant does not accept prepayments or deposits from customers. Please see Attachment D for financial information. The Applicant has held a certificate in California since 2012 without incident. In light of the foregoing, no bond is necessary.

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the Applicant is requesting authority to provide service.

Note: For Resellers, the Applicant must complete and submit an Affidavit of Publication Form as Attachment "C" before Staff prepares and issues its report. Refer to the Commission's website for Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication). For Facilities-Based Service Providers, the Hearing Division will advise the Applicant of the date of the hearing and the publication of legal notice. Do not publish legal notice or file affidavits of publication until you are advised to do so by the Hearing Division.

A hearing will be required for this facilities-based service. Accordingly, Applicant will publish notice in accordance with a Procedural Order once the Hearing Division schedules a hearing.

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in Arizona:

☐ Yes

☒ No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in Arizona:

Note: If the Applicant is currently approved to provide telecommunications services that the Applicant intends to provide in Arizona in less than six states, excluding Arizona, list the Public Utility Commission ("PUC") of each state that granted the authorization. For each PUC listed provide the name of the contact person, their phone number, mailing address including zip code, and e-mail address.

Applicant has been granted a Certificate by the California Public Utilities Commission (CPUC). See CPUC Decision 12-04-029 (April 19, 2012). A copy of the CPUC decision is attached. The CPUC's address is California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, Telecommunications Annual Reporting Program, (415) 703-2883.

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in Arizona.

Note: If the Applicant currently provides telecommunication services that the Applicant intends to provide in Arizona in six or more states, excluding Arizona, list the states. If the Applicant does not currently provide telecommunications services that the Applicant intends to provide in Arizona in five or less states, list the key personnel employed by the Applicant. Indicate each employee's name, title, position, description of their work experience, and years of service in the telecommunications services industry.

The Applicant provides similar services in California.

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801.

The Applicant does not have affiliates.

(A-21) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- ☐ Decision # 64178 Resold Long Distance
- ☐ Decision # 64178 Resold LEC
- ☐ Decision # 64178 Facilities Based Long Distance
- ☐ Decision # 64178 Facilities Based LEC

Private Line Services have been classified as competitive services by the Commission in Decision No. 72050 (January 6, 2011) for Telequality Communications, Inc., and Decision No. 74899 (January 22, 2015) for Threshold Communications, Inc.

B. FINANCIAL INFORMATION

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.

☒ Yes

☐

No

If "No," explain why and give the date on which the Applicant began operations.

(B-2) Include "Attachment D".

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement.
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

Note: Make sure "most recent years" includes current calendar year or current year reporting period.

This information will be provided pursuant to a protective agreement.

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

Not applicable.

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.

The Applicant projects \$0.00 in revenue for in Arizona for the first twelve months following certification.

2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.

The Applicant projects \$0.00 in expenses in providing in Arizona for the first twelve months following certification.

3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.

The Applicant does not currently have any assets in Arizona. The Applicant projects that the net book value of its assets in Arizona at the end of its first twelve months of service will be \$0.00.

4. If the projected value of all assets is zero, please specifically state this in your response.
5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

The Applicant accepts the net book value as the fair value for Arizona ratemaking purposes.

C. RESOLD AND/OR FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(C-1) Indicate if the Applicant has a resale agreement in operation,

☐

Yes

☒

No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N:

☐

Yes

☒

No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in Arizona.

The Applicant anticipates beginning to provide service within 18 months after receiving its Arizona certificate.

E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59421:

☒

Yes

☐

No

(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service:

☒

Yes

☐

No

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A):

☒

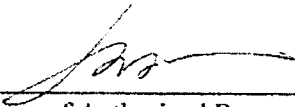
Yes

☐

No

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my

knowledge the information provided in this Application and Petition is true and correct.


(Signature of Authorized Representative)

8/13/2015
(Date)

Steven Kasower
(Print Name of Authorized Representative)

Chief Executive Officer
(Title)

SUBSCRIBED AND SWORN to before me this _____ day of _____, _____

NOTARY PUBLIC

*Please see
attachment*

My Commission Expires _____

CALIFORNIA JURAT WITH AFFIANT STATEMENT

GOVERNMENT CODE § 8202

- ☒ See Attached Document (Notary to cross out lines 1-6 below)
☐ See Statement Below (Lines 1-6 to be completed only by document signer[s], not Notary)

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Sacramento

Subscribed and sworn to (or affirmed) before me

on this 13 day of August, 2015,
by _____ Date _____ Month _____ Year _____

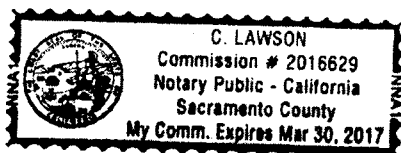
(1) Steven Kasower

(and (2) _____),

Name(s) of Signer(s)

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature [Signature] Notary Public
Signature of Notary Public



Seal
Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

ATTACHMENT A

Arizona CC&N Application of Digital Transportation Corporation

Certificate of Good Standing

Digital Transportation Corporation (DTC) is in the process of applying for authority to conduct business as a foreign corporation in Arizona. DTC submitted its application to the Corporations Division on July 13, 2015, Corporations Division File No. F20195605.

Directors:

- a. Masamitsu Miyagi
- b. Matthew Rey
- c. Steven Kasower

Officers

- a. Steven Kasower, Chief Executive Officer
- b. Masamitsu Miyagi, Chairman of the Board
- c. Matthew Ray, Secretary

Share Ownership of Officers and Directors:

Digital Transportation Corporation has 5,000,000 issued and outstanding shares. Of these, the officers and directors listed above hold the following quantities:

- a. Masamitsu Miyagi 400,000 shares (8%)
- b. Matthew Rey 1,050,000 shares (21%)
- c. Steven Kasower 1,775,000 shares (36%)

ATTACHMENT B

Arizona CC&N Application of Digital Transportation Corporation

TARIFF



Digital Transportation Corporation
1720 Q Street
Sacramento, CA 95811

PRIVATE LINE TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of Private Line Services by Digital Transportation Corporation. This tariff applies to services furnished within the State of Arizona. This tariff is on file with the Arizona Corporation Commission, and copies may be inspected, during normal business hours, at the Company's principal place of business.

Issued: July 28, 2015
Issued by:

Effective: [DATE] 2015

Steven Kasower
Chief Executive Officer
Digital Transportation Corporation
1720 Q Street
Sacramento, CA 95811

CHECK SHEET

<u>PAGE</u>	<u>REVISION</u>
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Issued: July 28, 2015
Issued by:

Effective: [DATE] 2015

Steven Kasower
Chief Executive Officer
Digital Transportation Corporation
1720 Q Street
Sacramento, CA 95811

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Issued: July 28, 2015
Issued by:

Effective: [DATE] 2015

Steven Kasower
Chief Executive Officer
Digital Transportation Corporation
1720 Q Street
Sacramento, CA 95811

EXPLANATION OF SYMBOLS

- | | |
|-----|--|
| (C) | To signify changed regulation |
| (D) | To signify discontinued rate or regulation |
| (I) | To signify increased rate |
| (M) | To signify that material has been transferred from another sheet or place in the tariff. |
| (N) | To signify new rate or regulation |
| (O) | To signify no change* |
| (R) | To signify reduced rate |
| (S) | To signify reissued matter |
| (T) | To signify a change in text but no change in rate or regulations. |

* The use of the symbol (O) shall be discretionary unless its use in the interest of clarity or is evident or specifically requested by the Commission.

Issued: July 28, 2015
Issued by:

Effective: [DATE] 2015

Steven Kasower
Chief Executive Officer
Digital Transportation Corporation
1720 Q Street
Sacramento, CA 95811

APPLICATION OF TARIFF

This tariff sets forth the service offerings, rates, terms and conditions applicable to the furnishing of private line services within the State of Arizona.

SERVICE OFFERING

The Company will offer facilities-based private line transport services.

CUSTOMER SERVICE

The Company's Customer Service number is 1-916-442-1477

Issued: July 28, 2015
Issued by:

Effective: [DATE] 2015

Steven Kasower
Chief Executive Officer
Digital Transportation Corporation
1720 Q Street
Sacramento, CA 95811

SECTION 1 -
DEFINITIONS

Commission: The Arizona Corporation Commission.

Company: Digital Transportation Corporation, a California corporation, which is the issuer of this tariff.

Customer: The person, firm, corporation or other entity which orders or uses service and, has agreed by signature or otherwise to honor the terms of the service herein, and is responsible for the payment of rates and charges for service to customer locations and for compliance with tariff regulations.

Individual Case Basis ("ICB"): A service arrangement in which the regulations rates and charges are developed based on the specific circumstances of the Customer's situation.

Internet Protocol Transfer: Transfer of information through the use of software that tracks the Internet address of nodes, routes outgoing messages, and recognizes incoming messages.

Private Line Transmission: A dedicated nonswitchable link from one or more customer-specified locations to one or more customer-specified locations.

Packet Based Data Services: Data services sent in packets through a network to some remote location. The data to be sent is assembled by the Packet Assembler/Disassembler in to individual packets of data, involving a process of segmentation or subdivision of larger sets of data as specified by the native protocol of the transmitting device.

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order, Service Contract or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance

Issued: July 28, 2015
Issued by:

Effective: [DATE] 2015

Steven Kasower
Chief Executive Officer
Digital Transportation Corporation
1720 Q Street
Sacramento, CA 95811

of service. The parties may mutually agree upon a substitute Service Commencement Date.

Service Order: The written request for interexchange services executed by the Customer and the Company in a format specified by the Company. The signing of a Service Order by the Customer and acceptance thereof by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date.

Services: The Company's Private Line service.

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SECTION – RULES AND REGULATIONS

2.1 Use of Services

- 2.1.1 The Company's services may be used for any lawful purpose consistent with the transmission and switching parameters of the Private Line utilized in the provision of services, subject to any limitations set forth in Section 2.2.
- 2.1.2 The use of the Company's services without payment for service or attempting to avoid payment for service by fraudulent means or devices, schemes, false or invalid numbers, or false calling or credit cards is prohibited.
- 2.1.3 The Company's services may be denied for non-payment of charges or for other violations of this tariff.
- 2.1.4 Customers shall not use the service provided under this tariff for any unlawful purpose.
- 2.1.5 The Customer is responsible for notifying the Company immediately of any unauthorized use of services.

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SECTION 2 – RULES AND REGULATIONS (CONTINUED)

2.2 Liability of the Company

- 2.2.1 The Company shall not be liable for any claim, loss, expense or damage for interruption, delay, error, omission or defect in any service, facility, or transmission provided under this tariff, if caused by an act of God, fire, war, civil disturbance, act of government, or due to any other causes beyond the Company's control.
- 2.2.2 The Company shall not be liable for, and shall be fully indemnified and held harmless by the Customer against any claim, loss, expense, or damage for defamation, libel, slander, invasion, infringement of copyright or patent, unauthorized use of any trademark, trade name or service mark, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data or information transmitted.
- 2.2.3 No agent or employee of any other carrier or entity shall be deemed to be an agent or employee of the Company.
- 2.2.4 The Company's liability for damages, resulting in whole or in part from or arising in connection with the furnishing of service under this tariff, including but not limited to mistakes, omissions, interruptions, delays, errors, or other defects or misrepresentations shall not exceed an amount equal to the charges provided for under this tariff service provided. No other liability in any event shall attach to the Company.
- 2.2.5 The Company shall not be liable for and shall be indemnified and saved harmless by any Customer or by any other entity from any and all loss, claims, demands, suits, or other action or any liability whatsoever, whether suffered, made, instituted, or asserted by any Customer or any other entity for any personal injury to, or death of, any person or persons, and for loss, damage, defacement or destruction of the premises of any Customer or any other entity or any other property whether owned or controlled by the Customer or others.

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SECTION 2 – RULES AND REGULATIONS (CONTINUED)

2.2 Liability of the Company (continued)

- 2.2.6 The Company shall not be liable for any indirect, special, incidental, or consequential damages under this tariff including, but not limited to, loss of revenue or profits, for any reason whatsoever, including the breakdown of facilities associated with the service, or for any mistakes, omissions, delays, errors, or defects in transmission occurring during the course of furnishing service.
- 2.2.7 The remedies set forth are exclusive and in lieu of all other warranties and remedies, whether express, implied, or statutory, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

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SECTION 3 - SERVICES, LOCATIONS, PRICES AND CHARGES

3.1 Description of Service

The Company will provide Private Line Service on a leased long-term basis.

3.2 Location of Service

The Company is a metropolitan provider that designs, builds and maintains custom private network solutions for its Customers. The location of the service is dependent on facilities constructed or leased by the Company.

3.3 ICB Rates for Service

The Company typically offers individualized arrangements on a case-by-case basis to enterprise customers including businesses, schools, and government organizations in response to a request from a bona fide customer or potential customer. Contracts for Private Line Service be negotiated and performed on an individual case basis. The terms, conditions, and prices of such of the Company's services will be set forth in a contract between the customer and Company.

3.4 Application for Service

Application for service must be made in writing. The name(s) of the customer(s) desiring to use the service must be set forth in the application for service.

3.5 Deposits

Deposits and/or advanced payments are not required.

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3.6 Standard and maximum rates for non-ICB Private Line Service.

Where Company facilities are available, and where private line transmission service is not covered an ICB contract under Section 3.3, then the following rates apply:

Transmission Speed	Monthly Recurring Charge Per DS1 Mile	Installation Charge
DS-0	Not available	Not available
DS-1	\$3.83	\$500.00
DS-3 / OC-1	\$15.52	\$2,000.00
OC-3	\$40.98	\$6,000.00
OC-12	\$149.02	\$20,000.00
OC-48	\$521.58	\$50,000.00

The above rates constitute the current price levels of the Company per A.A.C. R14-2-1109(B) and the maximum tariff rates per A.A.C. R14-2-1109(A). The following definitions apply to this Section 3.6:

DS-0 Service DS-0 Service provides a digital transmission path at speeds of up to and including 64 Kbps or, if provided over analog facilities, within the normal frequency range of 300 and 3,000 Hz.

DS-1 Service DS-1 Service provides the Customer a high capacity channel for the transmission of 1.544 Mbps.

DS-3 Service DS-3 Service provides the Customer a high capacity channel for the transmission of 44.736 Mbps.

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OC-3 Service OC-3 Service provides the Customer a high capacity channel for the transmission of 155.52 Mbps.

OC-12 Service OC-12 Service provides the Customer a high capacity channel for the transmission of 622.08 Mbps.

OC-48 Service OC-48 Service provides the Customer a high capacity channel for the transmission of 2.4 Gbps.

Mbps Megabits or 1,000,000 bits per second. Used in reference to data transmission speed.

Gbps Gigabits (1,000 Megabits) per second. Used in reference to data transmission speed.

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ATTACHMENT C

Arizona CC&N Application of Digital Transportation Corporation

CUSTOMER NOTICE

Customer notice will be published in accordance with the Procedural Order to be issued in this docket.

ATTACHMENT D

Arizona CC&N Application of Digital Transportation Corporation

FINANCIAL STATEMENTS

Financial statements will be provided confidentially pursuant to a Protective Agreement with the Commission Staff.

ATTACHMENT E

Arizona CC&N Application of Digital Transportation Corporation

KEY EMPLOYEES

Steven Kasower, Chief Executive Officer

Steven Kasower is the founder of the Digital Transportation Corporation. Prior to founding the company, Kasower was a Research Faculty member of the University of California, Santa Cruz where his expertise was in project permitting, regulatory and legislative characteristics of infrastructure projects. Kasower was on loan to the United States Bureau of Reclamation during the 9/11 attack. He was responsible for the separation of all telemetric controls on Federal water supply projects like dams, canals, pumps, etc from the internet. This work entailed the installation of over 100,000 miles of separate fiber infrastructure fundamentally cutting off all water supply control functions from internet based hacking and attack.

Masamitsu Miyagi

Masamitsu Miyagi is a serial entrepreneur who founded and sold the company, CoreLogic, a digital real estate analytics company. Miyagi has founded wireless telecommunications companies, and manufactures technologically advanced signal enhancing components that increase the speed and capacity of urban internet services.

Matthew Rey

Mathew Rey has directed sales and technical support teams for telecommunications companies for over twenty years. He has provided these services for Pacific Bell, Surwest, Consolidated Communications, and Comcast.

A-2
ADMITTED

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

RECEIVED

COMMISSIONERS

SUSAN BITTER SMITH - CHAIRMAN

BOB STUMP

BOB BURNS

DOUG LITTLE

TOM FORESE

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AZ CORP COMMISSION
DOCKET CONTROL

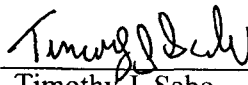
IN THE MATTER OF THE APPLICATION OF) DOCKET NO. T-20937A-15-0290
DIGITAL TRANSPORTATION CORPORATION)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO PROVIDE) **NOTICE OF ERRATA**
PRIVATE LINE TELECOMMUNICATIONS)
SERVICES IN ARIZONA.)

Digital Transportation Corporation ("DTC" or "Company") files this Notice of Errata. The name reflected on page 1 of the Application should be "Digital Transportation Corporation" not "Digital Transportation Services Corporation". The name is correctly reflected in the caption and in part A-2 of the CC&N application form.

RESPECTFULLY SUBMITTED this 31st day of August, 2015.

SNELL & WILMER L.L.P.

By


Timothy J. Sabo
One Arizona Center
400 East Van Buren Street
Phoenix, Arizona 85004

Attorney for Digital Transportation Corporation

Arizona Corporation Commission

DOCKETED

AUG 31 2015

DOCKETED BY

MLB

1 Original and thirteen copies of the foregoing
2 filed this 31st day of August, 2015, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 Copy of the foregoing hand-delivered/mailed
8 this 31st day of August, 2015, to:

9 Dwight Nodes
10 Acting Chief Administrative Law Judge
11 Hearing Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

15 Janice M. Alward
16 Chief Counsel, Legal Division
17 Arizona Corporation Commission
18 1200 West Washington Street
19 Phoenix, Arizona 85007

20 Thomas Broderick
21 Director, Utilities Division
22 Arizona Corporation Commission
23 1200 West Washington Street
24 Phoenix, Arizona 85007

25 By *Jaclyn Howard*

26 22451262
27
28

ORIGINAL

BEFORE THE ARIZONA CORPORAT

COMMISSIONERS

SUSAN BITTER SMITH - CHAIRMAN

BOB STUMP

BOB BURNS

DOUG LITTLE

TOM FORESE

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2015 AUG 31 P 4: 25

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. T-20937A-15-0290
DIGITAL TRANSPORTATION CORPORATION)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO PROVIDE)
PRIVATE LINE TELECOMMUNICATIONS)
SERVICES IN ARIZONA.)

NOTICE OF FILING

Digital Transportation Corporation ("DTC" or "Company") files a copy of the California Public Utilities Commission order granting DTC a Certificate of Public Convenience and Necessity in California.

RESPECTFULLY SUBMITTED this 31st day of August, 2015.

SNELL & WILMER L.L.P.

Arizona Corporation Commission

DOCKETED

AUG 31 2015

DOCKETED BY

MLB

By



Timothy J. Sabo
One Arizona Center
400 East Van Buren Street
Phoenix, Arizona 85004

Attorney for Digital Transportation Corporation

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19 Phoenix, Arizona 85007

20 Thomas Broderick
21 Director, Utilities Division
22 Arizona Corporation Commission
23 1200 West Washington Street
24 Phoenix, Arizona 85007

25 By Jaclyn Howard

26 22451303

Decision 12-04-029 April 19, 2012

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Digital Transportation Corporation for a Certificate of Public Convenience and Necessity to Provide Full Facilities-Based and Resold Competitive Local Exchange Services in the Service Territories of Pacific Bell Telephone Company, Verizon California Inc., Surewest Telephone, and Citizens Telecommunications, Inc., and Interexchange Services Statewide.

Application 11-11-005
(Filed November 4, 2011)

**DECISION GRANTING DIGITAL TRANSPORTATION CORPORATION A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY IN ORDER TO
PROVIDE FULL FACILITIES-BASED AND RESOLD LOCAL EXCHANGE AND
INTEREXCHANGE TELECOMMUNICATION SERVICES**

1. Summary

Digital Transportation, Inc. is granted a certificate of public convenience and necessity pursuant to Pub. Util. Code § 1001 to provide full facilities-based and resold competitive local exchange and interexchange services, subject to the terms and conditions set forth below. The application is unopposed. This proceeding is closed.

2. Background

In prior decisions, we authorized the provision of competitive interexchange services by carriers meeting specified criteria. In addition, we authorized the provision of competitive local exchange service, by carriers meeting specified criteria, within the service territories of Pacific Bell Telephone

Company (Pacific), Verizon California Inc. (Verizon), SureWest Telephone (SureWest),¹ and Citizens Telecommunications Company of California, Inc., dba Frontier Communications of California (CTC).

Digital Transportation Corporation (Digital or Applicant) is a California corporation with its principal place of business located at 1720 Q Street, Sacramento, California 95811, with telephone number (916) 538-1720.

3. Financial Qualifications

To be granted a certificate of public convenience and necessity (CPCN), an applicant for authority to provide full-facilities based and resold local exchange and interexchange services must demonstrate that it has a minimum of \$100,000 cash or cash equivalent to meet the firm's start-up expenses.² An applicant must also demonstrate that it has sufficient additional resources to cover all deposits required by local exchange carriers and/or interexchange carriers (IECs) in order to provide the proposed service.³ In Exhibit D to the application, Digital has provided documentation that it possesses more than the required minimum of \$100,000 that is reasonably liquid and available, it has demonstrated that it has sufficient funds to meet its start-up expenses, and it has fulfilled this requirement.

¹ SureWest was formerly known as Roseville Telephone Company.

² The financial requirement for Competitive Local Carriers (CLCs) is contained in Decision (D.) 95-12-056, Appendix C.

³ The requirement for CLC applicants to demonstrate that they have additional financial resources to meet any deposits required by underlying local exchange carriers and/or IECs is set forth in D.95-12-056, Appendix C.

4. Technical Qualifications

Applicants for Non-Dominant Interexchange Carrier and CLC authority are required to make a reasonable showing of technical expertise in telecommunications or a related business. Digital submitted biographical information on its officers in its application and in its February 7, 2012 Response to Administrative Law Judge Inquiry. The information provided demonstrates that it possesses sufficient experience and knowledge to operate as a telecommunications provider.

Digital represents that no one associated with or employed by Digital as an affiliate, officer, director, partner, or owner of more than 10% of Digital was previously associated with any telecommunication carrier that filed for bankruptcy, or was sanctioned by the Federal Communications Commission or any state regulatory agency for failure to comply with any regulatory statute, rule or order.

5. Tariffs

Digital asserts that it does not currently intend to provide any services for which a tariff is required. Instead, Digital will offer all services on a detariffed basis. In accordance with D.07-09-018, Digital will make its rates, terms, and conditions for detariffed services available to the public on its website and provide a toll-free number for consumers to call to obtain a copy of rates, terms, and conditions.

6. California Environmental Quality Act (CEQA)

The CEQA requires that the Commission act as the designated lead agency for this project to assess the potential environmental impact of a project in order that adverse effects are avoided, alternatives are investigated, and environmental quality is restored or enhanced to the fullest extent possible.

In its application, Digital asserts that it intends to install its facilities, such as fiber optic cable and related equipment, primarily in existing conduits and other existing buildings and infrastructure. Digital further asserts that it may, however, need to undertake outside plant construction activities in order to serve some customer locations if, for example, there are no existing conduits or there is inadequate space in the existing conduits. Such activities may include trenching for the installation of underground conduit and the installation of new utility poles, equipment shelters, or other above-ground support structures. Digital asserts that it expects that such construction ordinarily would be very small in scale, consisting of construction of short conduit extensions or stubs and installations of a limited number of poles or other above-ground facilities. Further, such construction generally would occur in existing roadways or other previously-developed and disturbed rights-of-way. Digital asserts that specific projects are unknown at this time.

These activities may fall within the classes of projects that are exempt from CEQA and for which neither an Environmental Impact Report nor a Negative Declaration is required.

Digital requests leave to utilize a procedure for expedited review of its projects once it is aware of a specific site(s) in which it plans construction. The proposed procedure generally tracks the expedited review process that we have approved for other carriers.⁴ Such a process will expedite CEQA review and is appropriate for any type of construction that is categorically exempt. By

⁴ See D.10-12-004 (Mobilitie, LLC); D.08-12-027 (ATC Outdoor DAS); D.10-04-038 (SnowCrest Telephone, Inc.); D.10-01-014 (Pacific Lightwave); D.09-11-021 (Freedom Telecommunications, Inc.); D.09-07-043 (PublicWireless, Inc.).

establishing this expedited review process, we are able to review the information on a specific project to confirm that it is categorically exempt from CEQA or explain why further environmental review is required. At the same time, the proposed CEQA review process will enable Digital to undertake construction of its projects in a timely manner.

Similar to the procedure approved for other carriers,⁵ the following procedure will be used to obtain Commission approval of Digital's claimed CEQA exemptions for proposed construction projects:

- Digital will provide the Commission's Energy Division with:
 - A detailed description of the proposed project, including:
 - Customer(s) to be served;
 - The precise location of the proposed construction project; and
 - Regional and local site maps.
 - A description of the environmental setting, to include at a minimum:
 - Cultural, historical, and paleontological resources;
 - Biological resources; and
 - Current land use and zoning.
 - A construction workplan, to include:
 - Commission Preconstruction Survey Checklist – Archaeological Resources;

⁵ See e.g., D.06-04-030 (NewPath Networks, LLC); D.06-04-063 (ClearLinx Network Corporation); D.06-06-047 (Sunesys, Inc.); D.08-12-027 (ATC Outdoor DAS, LLC); D.07-04-045 (NextG Networks of California, Inc.); D.07-08-026 (Broadband Associates International); and D.07-11-028 (Trillion Partners, Inc.).

- Commission Preconstruction Survey Checklist—
Biological Resources;
- A detailed schedule of construction activities,
including site restoration activities;
- A description of construction/installation
techniques;
- A list of other agencies contacted with respect to
siting, land use planning, and environmental
resource issues, including contact information; and
- A list of permits required for the proposed project.
- A statement of the CEQA exemption(s) applicable to the
proposed project; and
- Documentation and factual evidence sufficient to
support a finding that the claimed exemption(s) is (are)
applicable.
- The Energy Division will review Digital's submission
for the proposed project to confirm that the claimed
exemption(s) from CEQA are applicable.
- Within 21 days from the date of Digital's submittal, the
Energy Division will issue either:
 - A Notice to Proceed (NTP) and file a Notice of
Exemption with the State Clearinghouse, Office of
Planning and Research, or
 - A letter of denial stating the specific reasons why the
claimed exemption(s) are not applicable to the
proposed project.

We have reviewed the application and find that:

- Digital's proposed facilities-based project activities are
very limited;
- These activities would in almost all circumstances be very
likely to qualify for an exemption from CEQA; and
- The proposed process for reviewing the applicability of
CEQA exemptions to Digital's facilities-based projects is

not only adequate for the Commission's purposes as CEQA Lead Agency, but is also in the public interest because it enables Digital to respond in a timely manner to requests for service without the delay or burden of a full CEQA review when such review is unnecessary.

We therefore authorize Digital to follow the process described in the order herein, for Commission review of claimed CEQA exemptions for construction projects undertaken pursuant to Digital's full facilities-based authority with the following modifications related to the Commission's Energy Division review and approval or disapproval of the proposed exemptions.

- If the Energy Division disapproves Digital's claimed CEQA exemption(s), and issues a letter of denial to Digital, Digital must either re-design the specific project and facilities and then reapply for a finding of exemption from CEQA, or file a formal application with the Commission seeking the requisite approval and full CEQA review, before commencing any construction activities.

Digital shall not perform any full facilities-based construction activities without first obtaining an NTP from the Energy Division or authorization by the Commission after the requisite environmental review.

We have previously determined in Rulemaking 95-04-043/ Investigation 95-04-044 that the public convenience and necessity require that competition be allowed in the provision of competitive local exchange service. Granting this application will benefit the public interest by expanding the availability of technologically advanced telecommunications services within the state.

7. Conclusion

We conclude that the application conforms to our rules for authority to provide full facilities based and resold competitive local exchange and

interexchange telecommunications services. Accordingly, we shall approve the application subject to the terms and conditions set forth herein.

8. Categorization and Need for Hearings

In Resolution ALJ 176-3284, dated November 10, 2011, the Commission preliminarily categorized this application as Ratesetting, and preliminarily determined that hearings were not necessary. No protests have been received. There is no apparent reason why the application should not be granted. Given these developments, a public hearing is not necessary, and it is not necessary to disturb the preliminary determinations.

9. Comments on Proposed Decision

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code and Rule 14.6(c)(2) of the Commission's Rules of Practice and Procedure, the otherwise applicable 30-day period for public review and comment is waived.

10. Assignment of Proceeding

Catherine J.K. Sandoval is the assigned Commissioner and Richard W. Clark is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. Notice of the application appeared on the Daily Calendar on November 9, 2011.
2. No protests have been filed.
3. A hearing is not required.
4. In prior decisions, the Commission authorized competition in providing interexchange services for carriers meeting specific criteria.

5. In prior decisions, the Commission authorized competition, by carriers meeting specified criteria, in providing local exchange telecommunications services within the service territories of Pacific, Verizon, SureWest and CTC.

6. Digital has a minimum of \$100,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses and any deposits that may be required by other telecommunications carriers in order to provide the proposed service.

7. Digital possesses sufficient experience and knowledge to provide telecommunications services.

8. Digital does not intend to provide services for which a tariff is required. Digital will comply with D.07-09-018 in making its rates, terms and conditions for detariffed services available to the public.

9. Digital will be constructing facilities, which may be exempt from CEQA.

Conclusions of Law

1. Digital has the financial ability to provide the proposed service.

2. Digital has sufficient technical expertise to operate as a telecommunications carrier.

3. Public convenience and necessity require that Digital's resold competitive local exchange and interexchange services be subject to the terms and conditions set forth herein.

4. Any facilities Digital will be constructing should be subject to CEQA review as set forth in this order.

5. The application should be granted to the extent set forth below.

6. Digital, once granted a CPCN, should be subject to the applicable Commission rules, decisions, General Orders, and statutes that pertain to California's public utilities.

7. Digital is exempt from the filing of tariffs, but shall comply with D.07-09-018 in making its rates, terms and conditions for detariffed services available to the public.

8. Because of the public interest in competitive local exchange and interexchange services, the following order should be effective immediately.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Digital Transportation Corporation to operate as a full facilities-based and resale provider of competitive local exchange services, and interexchange services, subject to the terms and conditions set forth below.
2. Digital Transportation Corporation is authorized to provide local exchange service in the service territories of Pacific Bell Telephone Company, Verizon California Inc., SureWest Telephone, and Citizens Telecommunications Company of California, Inc., dba Frontier Communications of California.
3. Digital Transportation Corporation is exempt from the filing of tariffs, but shall comply with Decision 07-09-018 in making its rates, terms and conditions for detariffed services available to the public.
4. The certificate granted, and the authority to render service under the rates, charges and rules authorized, will expire if not exercised within 12 months after the effective date of this order.
5. The corporate identification number assigned to Digital Transportation Corporation, U7229C, shall be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.
6. Digital Transportation Corporation shall comply with all applicable rules adopted in the Local Exchange Competition proceeding (Rulemaking 95-04-043/

A.11-11-005 ALJ/RWC/eam

Investigation 95-04-044), the Commission's rules and regulations for non-dominant interexchange carriers set forth in Decision (D.) 93-05-010, D.90-08-032, as well as all other applicable Commission rules, decisions, General Orders, and statutes that pertain to California public utilities, subject to the exemptions granted in this decision.

7. Digital Transportation Corporation shall comply with the requirements applicable to competitive local exchange carriers and non-dominant interexchange carriers included in Attachment B to this decision.

8. Applicant is authorized to construct equipment to be installed in existing buildings or structures. For all other future construction projects Applicant shall use the modified California Environmental Quality Act review process set forth in the body of this decision.

9. Application 11-11-005 is closed.

This order is effective today.

Dated April 19, 2012, at San Francisco, California.

MICHAEL R. PEEVEY

President

TIMOTHY ALAN SIMON

MICHEL PETER FLORIO

CATHERINE J.K. SANDOVAL

MARK J. FERRON

Commissioners

A.11-11-005 ALJ/RWC/eam

ATTACHMENT A

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(END OF ATACHMENT A)

ATTACHMENT B

REQUIREMENTS APPLICABLE TO COMPETITIVE LOCAL EXCHANGE CARRIERS AND INTEREXCHANGE CARRIERS

1. Digital Transportation Corporation (Digital) shall file, in this docket, a written acceptance of the certificate granted in this proceeding within 30 days of the effective date of this order.

2. Digital is subject to the following fees and surcharges that must be regularly remitted. Per the instructions in Appendix E to Decision (D.) 00-10-028, the Combined California PUC Telephone Surcharge Transmittal Form must be submitted even if the amount due is \$0.

- a. The current 1.150% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the Universal Lifeline Telephone Service Trust Administrative Committee Fund (Pub. Util. Code § 879; Resolution T-17071, dated March 1, 2007, effective April 1, 2007);
- b. The current 0.200% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the Deaf and Disabled Telecommunications Program (Pub. Util. Code § 2881; D.98-12-073 and Resolution T-17127, dated December 20, 2007, effective January 1, 2008);
- c. The user fee provided in Pub. Util. Code §§ 431-435, which is either 0.180% of gross intrastate revenue (Resolution M-4819, dated June 7, 2007, effective July 1, 2007);
- d. The current 0.00% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-A (Pub. Util. Code § 739.3; D.96-10-066, pp. 3-4, App. B, Rule 1.C (Resolution T-17299, dated November 19, 2010, effective December 1, 2010);

- e. The current 0.300% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-B (D.96-10-066, p. 191, App. B, Rule 6.F.; D.07-12-054; Resolution T-17311, dated March 24, 2011, effective May 1, 2011);
- f. The current 0.14% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Advanced Services Fund (D.07-12-054); Resolution T-17343, dated September 22, 2011, effective November 1, 2011; and
- g. The current 0.079% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Teleconnect Fund (D.96-10-066, p. 88, App. B, Rule 8.G, Resolution T-17142, dated April 24, 2008, effective June 1, 2008).

Note: These fees change periodically. In compliance with Resolution T-16901, December 2, 2004, Digital should check the joint tariff for surcharges and fees filed by Pacific Bell Telephone Company (dba AT&T California) and apply the current surcharge and fee amounts in that joint tariff on end-user charges until further revised.

- 3. Digital is a competitive local exchange carrier (CLEC). The effectiveness of its future tariffs is subject to the requirements of General Order 96-B and the Telecommunications Industry Rules (D.07-09-019).
- 4. Digital is a nondominant interexchange carrier (NDIEC). The effectiveness of its future NDIEC tariffs is subject to the requirements of General Order 96-B and the Telecommunications Industry Rules (D.07-09-019).
- 5. Tariff filings shall reflect all fees and surcharges to which Digital is subject, as reflected in 2 above.
- 6. Digital shall file a service area map as part of its initial tariff.

7. Prior to initiating service, Digital shall provide the Commission's Consumer Affairs Branch with the name and address of its designated contact person(s) for purposes of resolving consumer complaints. This information shall be updated if the name or telephone number changes, or at least annually.

8. Digital shall notify the Director of the Communications Division in writing of the date that local exchange service is first rendered to the public, no later than five days after service first begins.

9. Digital shall notify the Director of the Communications Division in writing of the date interLATA service is first rendered to the public within five days after service begins, and again within five days after intraLATA service begins.¹

10. Digital shall keep its books and records in accordance with the Generally Accepted Accounting Principles.

11. In the event Digital's books and records are required for inspection by the Commission or its staff, it shall either produce such records at the Commission's offices or reimburse the Commission for the reasonable costs incurred in having Commission staff travel to its office.

12. Digital shall file an annual report with the Director of the Communications Division, in compliance with GO 104-A, on a calendar-year basis with the information contained in Attachment C to this decision.

¹ California is divided into ten Local Access and Transport Areas (LATAs), each containing numerous local telephone exchanges. InterLATA describes services, revenues and functions relating to telecommunications originating within one LATA and terminating in another LATA. IntraLATA describes services, revenues and functions relating to telecommunications originating within a single LATA.

13. Digital shall file an affiliate transaction report with the Director of the Communications Division, in compliance with D.93-02-019, on a calendar year basis using the form contained in Attachment D.

14. Digital shall ensure that its employees comply with the provisions of Public Utilities (Pub. Util.) Code § 2889.5 regarding solicitation of customers.

15. Within 60 days of the effective date of this order, Digital shall comply with Pub. Util. Code § 708, Employee Identification Cards, and notify the Director of the Communications Division in writing of its compliance.

16. If Digital is 90 days or more late in filing an annual report, or in remitting the surcharges and fee listed in 2 above, the Communications Division shall prepare for Commission consideration a resolution that revokes Digital's CPCN unless it has received written permission from the Communications Division to file or remit late.

17. Digital is exempt from Commission Rules of Practice and Procedure 3.1(b).

18. Digital is exempt from Pub. Util. Code §§ 816-830.

19. Digital is exempt from the requirements of Pub. Util. Code § 851 for the transfer or encumbrance of property whenever such transfer or encumbrance serves to secure debt.

20. If Digital decides to discontinue service or file for bankruptcy, it shall immediately notify the Communications Division's Bankruptcy Coordinator.

21. Digital shall send a copy of this decision to concerned local permitting agencies not later than 30 days from the date of this order.

(END OF ATTACHMENT B)

**ATTACHMENT C
ANNUAL REPORT**

An original and a machine readable, copy using Microsoft Word or compatible format shall be filed with the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, no later than March 31st of the year following the calendar year for which the annual report is submitted.

Failure to file this information on time may result in a penalty as provided for in §§ 2107 and 2108 of the Public Utilities Code.

Required information:

1. Exact legal name and U # of the reporting utility.
2. Address.
3. Name, title, address, and telephone number of the person to be contacted concerning the reported information.
4. Name and title of the officer having custody of the general books of account and the address of the office where such books are kept.
5. Type of organization (*e.g.*, corporation, partnership, sole proprietorship, etc.).

If incorporated, specify:

- a. Date of filing articles of incorporation with the Secretary of State.
 - b. State in which incorporated.
6. Number and date of the Commission decision granting the Certificate of Public Convenience and Necessity.
 7. Date operations were begun.
 8. Description of other business activities in which the utility is engaged.
 9. List of all affiliated companies and their relationship to the utility. State if affiliate is a:
 - a. Regulated public utility.
 - b. Publicly held corporation.
 10. Balance sheet as of December 31st of the year for which information is submitted.
 11. Income statement for California operations for the calendar year for which information is submitted.

For answers to any questions concerning this report, call (415) 703-2883.

(END OF ATTACHMENT C)

ATTACHMENT D
CALENDAR YEAR AFFILIATE TRANSACTION REPORT

An original and a machine readable copy, using Microsoft Word and Excel or compatible format must be filed with the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, no later than May 1st of the year following the calendar year for which the annual report is submitted.

1. Each utility shall list and provide the following information for each affiliated entity and regulated subsidiary that the utility had during the period covered by the annual Affiliate Transaction report.

- Form of organization (*e.g.*, corporation, partnership, joint venture, strategic alliance, etc.);
- Brief description of business activities engaged in;
- Relationship to the utility (*e.g.*, controlling corporation, subsidiary, regulated subsidiary, affiliate);
- Ownership of the utility (including type and percent ownership)
- Voting rights held by the utility and percent; and
- Corporate officers.

2. The utility shall prepare and submit a corporate organization chart showing any and all corporate relationships between the utility and its affiliated entities and regulated subsidiaries in #1 above. The chart should have the controlling corporation (if any) at the top of the chart; the utility and any subsidiaries and/or affiliates of the controlling corporation in the middle levels of the chart and all secondary subsidiaries and affiliates (*e.g.*, a subsidiary that in turn is owned by another subsidiary and/or affiliate) in the lower levels. Any regulated subsidiary should be clearly noted.

3. For a utility that has individuals who are classified as "controlling corporations" of the competitive utility, the utility must only report under the requirements of #1 and #2 above any affiliated entity that either (a) is a public

utility or (b) transacts any business with the utility filing the annual report excluding the provision of tariff services.

4. Each annual report must be signed by a corporate officer of the utility stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.

5. Any required material that a utility is unable to provide must be reasonably described and the reasons the data cannot be obtained, as well as the efforts expended to obtain the information, must be set forth in the utility's annual Affiliate Transaction Report and verified in accordance with Section I-F of Decision 93-02-019.

6. Utilities that do not have affiliated entities must file, in lieu of the annual transaction report, an annual statement to the Commission stating that the utility had no affiliated entities during the report period. This statement must be signed by a corporate officer of the utility, stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.

(END OF ATTACHMENT D)

ORIGINAL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH - CHAIRMAN

BOB STUMP

BOB BURNS

DOUG LITTLE

TOM FORESE

RECEIVED

2015 DEC 22 P 4:44

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. T-20937A-15-0290
DIGITAL TRANSPORTATION CORPORATION)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO PROVIDE) **NOTICE OF FILING**
PRIVATE LINE TELECOMMUNICATIONS)
SERVICES IN ARIZONA.)

Digital Transportation Corporation provides notice of filing of its Certificate of Good
Standing. A copy of the certificate is attached as Exhibit A

RESPECTFULLY SUBMITTED this 22nd day of December, 2015.

SNELL & WILMER L.L.P.

Arizona Corporation Commission

DOCKETED

DEC 22 2015

DOCKETED BY

By

Timothy J. Sabo

One Arizona Center

400 East Van Buren Street

Phoenix, Arizona 85004

Attorney for Digital Transportation Corporation

1 Original and thirteen copies of the foregoing
2 filed this 22nd day of December, 2015, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

7 Copy of the foregoing hand-delivered/mailed
8 this 22nd day of December, 2015, to:

9 Dwight Nodes
10 Chief Administrative Law Judge
11 Hearing Division
12 Arizona Corporation Commission
13 1200 West Washington
14 Phoenix, Arizona 85007

15 Janice M. Alward
16 Chief Counsel, Legal Division
17 Arizona Corporation Commission
18 1200 West Washington Street
19 Phoenix, Arizona 85007

20 Thomas Broderick
21 Director, Utilities Division
22 Arizona Corporation Commission
23 1200 West Washington Street
24 Phoenix, Arizona 85007

25 By Jaclyn Howard
26
27
28
23180912

Exhibit A

STATE OF ARIZONA



Office of the CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Jodi A. Jerich, Executive Director of the Arizona Corporation Commission, do hereby certify that

DIGITAL TRANSPORTATION CORPORATION

a foreign corporation organized under the laws of California did obtain authority to transact business in the State of Arizona on the 28th day of September 2015.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation has not had its authority revoked for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed an Application for Withdrawal as of the date of this certificate.

This certificate relates only to the legal authority of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 21st day of December, 2015, A. D.




Jodi A. Jerich, Executive Director

By: 1342973

ORIGINAL

Snell & Wilmer

L.L.P.
LAW OFFICES

One Arizona Center
400 East Van Buren Street
Suite 1900
Phoenix, Arizona 85004-2202
602.382.6000
602.382.6070 (Fax)
www.swlaw.com

Timothy J. Sabo
(602) 382-6347
tsabo@swlaw.com

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AZ CORP COMMISSION
DOCKET CONTROL

EXHIBIT

A-5

ADMITTED

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LOS ANGELES
LOS CABOS
ORANGE COUNTY
PHOENIX
RENO
SALT LAKE CITY
TUCSON

February 9, 2016

Arizona Corporation Commission
DOCKETED

FEB 17 2016

DOCKETED BY	<i>KE</i>
-------------	-----------

BY HAND DELIVERY

Mr. Matt Connolly
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

Re: Staff's First Set of Data Requests to Digital Transportation Corporation
Docket No. T-20937A-15-0290

Mr. Connolly:

Enclosed please find Digital Transportation Corporation's responses to Staff's First Set of Data Requests.

Please let me know if you have any questions.

Very truly yours,

Snell & Wilmer

Timothy J. Sabo

Timothy J. Sabo

TJS:jh

Original and 13 Copies to Docket Control

Enclosure

cc: Bridget Humphrey, Esq. (w/ Enclosures)

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.1 Will DTC have any employees located in Arizona? If yes, how many and what will be their function? Please include any maintenance and repair personnel.

RESPONSE: DTC has no employees. All work that DTC intends to perform in Arizona will be performed by licensed subcontractors working for DTC.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.2 Please list any other jurisdictions in which DTC has been granted authority to provide telecommunications service since the date it submitted its application to the Arizona Corporation Commission. Please indicate the type of telecommunications service granted.

RESPONSE: As of this date, no other jurisdictions have granted DTC authority to perform telecommunications service since the date DTC submitted its application to the Arizona Corporation Commission.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.3 Please list any other jurisdictions in which DTC has submitted an application to provide telecommunications service since the date it submitted its application to the Arizona Corporation Commission. Please indicate the type of telecommunications service requested.

RESPONSE: DTC has submitted application to provide telecommunications service in the State of Nevada since the date DTC submitted its application to the Arizona Corporation Commission. That application has not yet been approved as of this date.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.4 For each of the employee's listed in Attachment E, excluding Mr. Matthew Rev, please indicate the years of service in the telecommunications service industry.

RESPONSE: Steven Kasower has been in the telecommunications service industry for 6 years and has been the Chief Executive Officer of a telecommunications service company licensed in California (A California Competitive Local Exchange Carrier) for 4 years.

Masamitsu Miyagi has been in the telecommunications service industry for 7 years.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.5 Please describe in detail the facilities DTC will use to provide service. Are these facilities owned or leased? If leased, from whom? If needed, what types of facilities will DTC physically install?

RESPONSE: DTC intends to provide dark fiber optic infrastructure to clients in Arizona. That infrastructure includes buried conduit and fiber optic cables, and telecommunications vaults in the sidewalk or manhole vaults in the streets. DTC does not anticipate selling dial tone, internet, VOIP, or video over these fiber cables. DTC intends to build and provide "dark" fiber optic infrastructure for clients.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.6 DTC provides information regarding customer service support but does DTC maintain a Network Operations Center in order to monitor its transport network?

RESPONSE: DTC intends to supply emergency repair capability for its fiber optic infrastructure in cases of emergency breach or damage. Since DTC does not intend to provide "lit" services in that fiber optic infrastructure, DTC does not require a Network Operations Center. All emergency repair personnel are available through pagers and telephone and they are subcontracted to DTC as part of the contractual agreement with the client leases fiber optic infrastructure from DTC.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.7 Please provide Financial Statements for year ending 2015.

RESPONSE: DTC has an appointment with its accountant to prepare 2015 financials and tax documents scheduled for March 1, 2016. Thus, 2015 Financials will not be available until March 1 or later. DTC will provide the 2015 financial statements once they are available. The 2015 financial statements will be provided on a confidential basis pursuant to the Protective Agreement in this matter.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.8 Regarding the provided financials, does the applicant understand that there will be three numbers (total assets, shareholder equity and net income) taken from those financials that will be made public in Staff's Memo and in any Order that might be issued granting the application?

RESPONSE: Yes, understood.

RESPONDENT: Steven Kasower
 Chief Executive Officer
 1720 Q Street
 Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.9 How will DTC market its service in the Arizona market? Please provide any marketing material DTC will be using.

RESPONSE: DTC will provide dark fiber infrastructure to commercial clients, primarily focusing on existing clients it serves in California. As such, DTC does not intend to market its service in Arizona. In addition, please note that DTC will not serve residential customers.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.10 Please clarify if the Company will be collecting deposits or advanced payments in Arizona.

RESPONSE: DTC does not collect deposits or prepayments.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.11 Please explain why the Company does not anticipate providing service until eighteen (18) months after receiving its CC&N in Arizona.

RESPONSE: Fiber infrastructure route planning, permitting, construction, and initial testing is a complicated undertaking. Such construction requires engineering during the planning process and could also include environmental evaluation depending on route. The term "service" is used by DTC when the client is able to bring the fiber into use, install their laser routers, and connect the fiber to their other systems. Given all of these steps, DTC believes that 18 is an ambitious but feasible timeline.

RESPONDENT: Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

STF 1.12

Please indicate why DTC believes that its rates are just and reasonable using a competitive market analysis. The analysis should contain publicly available examples of tariff rates and charges charged by other carriers for similar services. Include supporting material and any other information that DTC believes demonstrates that the proposed tariff rates and charges are just and reasonable.

To support your answer, please use a matrix format to list the Company's proposed services, rates, and charges (see provided Excel file). Based on DTC's proposed tariff, list all of the telecommunications services the Company will provide in Arizona. For each of the telecommunications services listed, provide the tariff page numbers that support each of the DTC's services, rates, and charges. Also, provide the same information requested of DTC for CenturyLink and two other Arizona long distance competitors using the same matrix format. List each competitor's services, rates, and charges for the same or comparable services and include copies of the tariff page of each service, rate and charge of each competitor. For a list of telecommunications carriers certified in Arizona, go to www.azcc.gov/divisions/utilities/utilitylist.asp. For a list of Commission-approved telecommunications rates and tariffs, go to www.azcc.gov/Divisions/Utilities/Tariff.

RESPONSE:

DTC has submitted representative rates based on current rates set by the Arizona Corporations Commission . DTC submitted those rates and intends to comply with them in the unlikely case whereby DTC provides rate-based services. At this time and throughout DTC existence, the company has never sold dial tone, internet, VOIP, or video through its fiber optic networks. The company leases "dark" fiber only. That is fiber only "lit" by clients. That being said, a rate comparison is attached.

Please note that while CenturyLink has a Private Line Tariff, the CenturyLink's tariff includes provisions such as mileage bands and rate zones that are not directly comparable to DTC. In addition, CenturyLink's private line tariff is over 200 pages longer than DTC's. Thus, a direct comparison is not possible.

DTC's rates are identical to the rates for Threshold Communications, Inc., approved in Decision No. 74899 (Jan. 22,

**STAFF'S FIRST SET OF DATA REQUESTS TO
DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290
FEBRUARY 9, 2016**

2015). Please see Threshold Communications, Inc., A.A.C. Tariff No. 1, Original Page No. 58.

DTC's rates are lower than the rates of WANRack, LLC. WANRack, LLC's rates were approved as part of its CC&N in Decision No. 75359 (Dec. 17, 2015). Please see WANRack, LLC Arizona Tariff No. 1, Original Sheet No. 12.

CenturyLink's Private Line Tariff is available at this link:
http://www.centurylink.com/tariffs/az_qc_pl_t_no_6_part2.pdf

WANRack, LLC's Arizona Tariff No. 1 is available at this link:
<http://images.edocket.azcc.gov/docketpdf/0000163169.pdf>

Threshold Communications, Inc., ACC Tariff No. 1:
<http://images.edocket.azcc.gov/docketpdf/0000159576.pdf>

RESPONDENT:

Steven Kasower
Chief Executive Officer
1720 Q Street
Sacramento, CA 95811

ATTACHMENT A
BY COMPETITOR

[illegible]

***Please include copies of tariff sheets for reference.**

SECTION 4 – RATES AND CHARGES, Continued

4.2. THRESHOLD PRIVATE LINE SERVICES

4.2.1. Recurring and Non-Recurring Charges

Transmission	Monthly Recurring	Non-Recurring
<u>Speed</u>	<u>Charge per DS1 Mile</u>	<u>Installation Charge</u>
DS-0	Not available	Not Available
DS-1	\$ 3.83	\$ 500.00
DS-3	\$ 15.52	\$ 2,000.00
OC-3	\$ 40.98	\$ 6,000.00
OC-12	\$ 149.02	\$ 20,000.00
OC-48	\$ 521.58	\$ 50,000.00

Issued: January 21, 2015

Effective Date: February 20, 2015

Issued By:

Mr. Jeff Matson
President
Threshold Communications, Inc.
16451 Redmond Way, #254C
Redmond, WA 98052-4482
888.820.7833

3.6 Standard and maximum rates for non-ICB private line transmission service.

Where Company facilities are available, and where private line transmission service is not covered an ICB contract under Section 3.3, then the following rates apply:

Transmission Speed	Monthly Recurring Charge Per DSI Mile	Installation Charge
DS-0	Not available	Not available
DS-1	\$8.34	\$2000.00
DS-3 / OC-1	\$19.52	\$3,000.00
OC-3	\$52.98	\$8,000.00
OC-12	\$184.02	\$25,000.00
OC-48	\$589.58	\$60,000.00

The above rates constitute the current price levels of the Company per A.A.C. R14-2-1109(B) and the maximum tariff rates per A.A.C. R14-2-1109(A). The following definitions apply to this Section 3.6:

DS-0 Service DS-0 Service provides a digital transmission path at speeds of up to and including 64 Kbps or, if provided over analog facilities, within the normal frequency range of 300 and 3,000 Hz.

DS-1 Service DS-1 Service provides the Customer a high capacity channel for the transmission of 1.544 Mbps.

DS-3 Service DS-3 Service provides the Customer a high capacity channel for the transmission of 44.736 Mbps.

Issued: April 2, 2015
Issued by:

Effective: [DATE] 2015

Gerardo Garza
Chief Executive Officer
WANRack, LLC
7950 SW 54th Avenue
Miami, FL 33143

ORIGINAL

EXHIBIT
A-6
ADMITTED
3581

BEFORE THE ARIZONA CORPORATI

COMMISSIONERS

DOUG LITTLE - CHAIRMAN
BOB STUMP
BOB BURNS
TOM FORESE
ANDY TOBIN

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2016 FEB 26 P 4: 30

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF) DOCKET NO. T-20937A-15-0290
DIGITAL TRANSPORTATION CORPORATION)
FOR A CERTIFICATE OF PUBLIC)
CONVENIENCE AND NECESSITY TO PROVIDE) NOTICE OF FILING
PRIVATE LINE TELECOMMUNICATIONS)
SERVICES IN ARIZONA.)

Digital Transportation Corporation files the attached proof that notice was published
in accordance with the procedural order is this docket.

RESPECTFULLY SUBMITTED this 26th day of February, 2016.

SNELL & WILMER L.L.P.

Arizona Corporation Commission
DOCKETED
FEB 26 2016

DOCKETED BY [Signature]

By [Signature]
Timothy J. Sabo
One Arizona Center
400 East Van Buren Street
Phoenix, Arizona 85004

Attorney for Digital Transportation Corporation

1 Original and thirteen copies of the foregoing
2 filed this 26th day of February, 2016, with:

3 Docket Control
4 Arizona Corporation Commission
5 1200 West Washington Street
6 Phoenix, Arizona 85007

6 Copy of the foregoing hand-delivered/mailed
7 this 26th day of February, 2016, to:

8 Dwight Nodes
9 Chief Administrative Law Judge
10 Hearing Division
11 Arizona Corporation Commission
12 1200 West Washington
13 Phoenix, Arizona 85007

11 Janice M. Alward
12 Chief Counsel, Legal Division
13 Arizona Corporation Commission
14 1200 West Washington Street
15 Phoenix, Arizona 85007

14 Thomas Broderick
15 Director, Utilities Division
16 Arizona Corporation Commission
17 1200 West Washington Street
18 Phoenix, Arizona 85007

17 By Jacklyn Howard
18

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**PUBLIC NOTICE OF HEARING IN THE MATTER OF
THE APPLICATION OF DIGITAL TRANSPORTATION
CORPORATION FOR A CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY TO PROVIDE
PRIVATE LINE TELECOMMUNICATIONS
SERVICES IN ARIZONA.
DOCKET NO. T-20937A-15-0290**

Summary

On August 14, 2015, Digital Transportation Corporation ("DTC" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("CC&N") to provide private line telecommunications services in the State of Arizona.

The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding the application. **The Commission is not bound by the proposals made by DTC, Staff, or any intervenors.** The Commission will issue a Decision regarding the application following consideration of testimony and evidence presented at an evidentiary hearing.

How You Can View or Obtain a Copy of the Application

A copy of the application is available at DTC's offices 1720 Q Street, Sacramento, California 95811; at the Commission's Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours; and on the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on the application on **April 11, 2016, at 10:00 a.m.**, at the Commission's offices, in Hearing Room No. 2, 1200 West Washington, Phoenix, Arizona. Public comments will be taken on the first day of the hearing.

Written public comments may be submitted by mailing a letter referencing Docket No. T-20937A-15-0290 to the Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by submitting comments on the Commission's website (www.azcc.gov) using the "Submit a Public Comment for a Utility" function. If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000 (outside the metro Phoenix area).

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any interested person may be granted intervention if the outcome of the case will directly and substantially impact the person, and the person's intervention will not unduly broaden the issues in the case. Intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other parties' witnesses. **However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.**

Your request to intervene must contain the following:

1. Your name, address, telephone number and the name, address and telephone number of any party upon whom service of documents is to be made, if not yourself.
2. A reference to Docket No. T-20937A-15-0290;
3. A short statement explaining:
 - a. Your interest in the proceeding (e.g., a customer of the Company, etc.);
 - b. How you will be directly and substantially affected by the outcome of the case; and
 - c. Why your intervention will not unduly broaden the issues in the case;
4. A statement certifying that you have served a copy of the request to intervene on the utility or its attorney and all other parties of record in the case; and
5. If you are not represented by an attorney who is an active member of the Arizona State Bar, and you are not representing yourself as an individual, sufficient information and any appropriate documentation to demonstrate compliance with Arizona Supreme Court Rules 31, 38, 39 and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that **all motions to intervene must be filed on or before March 21, 2016.** If representation by counsel is required by Arizona Supreme Court Rule 31, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail SABernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

THE ARIZONA REPUBLIC

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS.

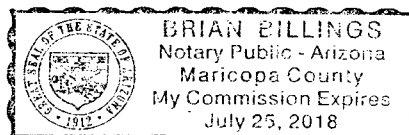
Angelina Aguilar, being first duly sworn, upon oath deposes and says: That she is a legal advertising representative of the Arizona Business Gazette, a newspaper of general circulation in the county of Maricopa, Coconino, Pima and Pinal, State of Arizona, published in Phoenix, Arizona, by Phoenix Newspapers Inc., which also publishes The Arizona Republic, and that the copy hereto attached is a true copy of the advertisement published in the said paper on the dates as indicated.

The Arizona Republic

February 19, 2016

Angelina Aguilar

Sworn to before me this
19TH day of
February A.D. 2016



Brian Billings
Notary Public

ORIGINAL

MEMORANDUM

TO: Docket Control

FROM: Thomas M. Broderick
Director
Utilities Division

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL
2016 MAR 14 PM 12 41

DATE: March 14, 2016

RE: IN THE MATTER OF THE APPLICATION OF DIGITAL
TRANSPORTATION CORPORATION FOR APPROVAL OF A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
PROVIDE PRIVATE LINE TELECOMMUNICATIONS SERVICES IN
ARIZONA (DOCKET NO. T-20937A-15-0290)

Attached is the Staff Report for the above Application requesting approval for a Certificate of Convenience and Necessity ("CC&N") to provide the following service:

- Private Line Telecommunications Services

Staff is recommending approval of the Application with conditions.

TMB:MAC:nr\BH

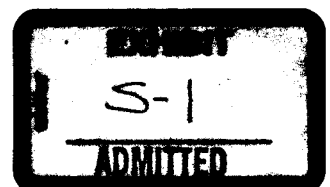
Originator: Matt Connolly

Attachment: Original and Thirteen copies

Arizona Corporation Commission
DOCKETED

MAR 14 2016

DOCKETED BY	<i>YH</i>
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SERVICE LIST FOR: DIGITAL TRANSPORTATION CORPORATION
DOCKET NO.: T-20937A-15-0290

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STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

DIGITAL TRANSPORTATION CORPORATION
DOCKET NO. T-20937A-15-0290

IN THE MATTER OF THE APPLICATION OF DIGITAL TRANSPORTATION
CORPORATION FOR APPROVAL OF A CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY TO PROVIDE PRIVATE LINE TELECOMMUNICATIONS SERVICES
IN ARIZONA

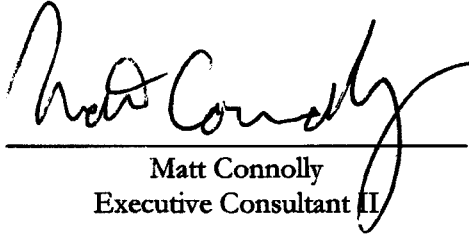
MARCH 14, 2016

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STAFF ACKNOWLEDGMENT

The Staff Report for Digital Transportation Corporation, Docket No. T-20937A-15-0290, was the responsibility of the Staff member listed below. Matt Connolly was responsible for the review and analysis of the Applicant's application for a Certificate of Convenience and Necessity to provide Private Line Telecommunications Services within the State of Arizona, in addition to the petition for a determination that its proposed services should be classified as competitive.



Matt Connolly
Executive Consultant II

1. INTRODUCTION

On August 14, 2015, Digital Transportation Corporation ("DTC" or "Applicant") filed an Application for a Certificate of Convenience and Necessity ("CC&N") to provide facilities-based private line transport telecommunications services within the State of Arizona. The Applicant also petitioned the Arizona Corporation Commission ("Commission") for a determination that its proposed services should be classified as competitive.

On August 31, 2015, the Applicant filed a copy of the California Public Utilities Commission ("CPUC") order granting DTC a Certificate of Public Convenience and Necessity in California. On September 11, 2015, Staff issued and docketed a Letter of Deficiency in this matter, informing the Applicant its application had not met the sufficiency requirements under Arizona Administrative Code ("A.A.C.") R14-2-502. On November 13, 2015, the Applicant filed a letter requesting additional time in which to respond to the Letter of Deficiency. On December 22, 2015, the Applicant filed a copy of its Certificate of Good Standing in the State of Arizona. On January 21, 2015, Staff issued and docketed a Letter of Sufficiency, informing the Applicant its application met the sufficiency requirements under A.A.C. R14-2-502. On January 27, 2016, Staff issued its First Set of Data Requests to DTC. Responses to Staff's First Set of Data Requests were received from the Applicant on February 9, 2016.

Staff's review of this Application addresses the overall fitness of the Applicant to receive a CC&N. Staff's analysis also considers whether the Applicant's services should be classified as competitive and if the Applicant's initial rates are just and reasonable.

2. TECHNICAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES

DTC is a privately held, ~~limited liability~~ ^{S-} foreign corporation organized under the laws of the State of California. DTC's headquarters is located at 21720 Q Street, Sacramento, California, 95811. The three members of the Applicant's senior management team have a combined (33) thirty-three years of experience in the telecommunications industry.

The Applicant indicated it is in the process of obtaining authority to provide telecommunications services in the State of Nevada¹. The Applicant has already received authority to provide competitive facilities-based and resale local exchange and interexchange services in the State of California.

DTC states that it intends to build and provide dark fiber optic infrastructure to commercial clients in Arizona, primarily focusing on existing clients it currently serves in California. This infrastructure includes buried conduit, fiber optic cables and telecommunications vaults in the sidewalk or manhole vaults in the street. DTC does not anticipate selling dial tone, internet, VoIP or video over these fiber cables.²

DTC further states it intends to supply emergency repair capability for its fiber optic

¹ DTC Response to Staff Data Request STF 1.3.

² DTC Response to Staff Data Request STF 1.5 and 1.9.

infrastructure in cases of a physical breach damage. All emergency personnel will be available through pagers and telephone and will be subcontracted to DTC as part of any contractual agreement with a client who leases fiber optic infrastructure from DTC.³ Customer Service may be reached at 1-916-~~442-1477~~. DTC will not have any Arizona employees and will also hire licensed subcontractors for any work DTC intends to have completed in Arizona.⁴

538-1720
Based on the above information, Staff believes DTC possesses the technical capabilities to provide the services it is requesting the authority to provide in Arizona.

3. FINANCIAL CAPABILITY TO PROVIDE THE REQUESTED SERVICES

On September 2, 2016, DTC provided confidential unaudited financial statements for year ending 2013 and year ending 2014. The financial statements as of December 31, 2013, list total assets of \$50,208; total equity of negative \$17,792 and a net income of negative \$16,769. The financial statements as of December 31, 2014, list total assets of \$38,636; total equity of negative \$29,364 and a net income of negative \$11,572. The Applicant did not provide notes related to the financial statements.

4. ESTABLISHING RATES AND CHARGES

The Applicant would initially be providing service in areas where an incumbent local exchange carrier ("ILEC"), along with various competitive local exchange carriers ("CLECs") and interexchange carriers are providing telephone service. Therefore, the Applicant would have to compete with those providers in order to obtain subscribers to its services. The Applicant would be a new entrant and would face competition from both an incumbent provider and other competitive providers in offering service to its potential customers. Therefore, the Applicant would generally not be able to exert market power. Thus, the competitive process should result in rates that are just and reasonable.

In general, rates for competitive services are not set according to rate of return regulation. In response to item (B-4) of the Application, DTC estimates its expected net book value or fair value rate base after the first twelve months of operation to be \$0.00. The rate to be ultimately charged by the Applicant will be heavily influenced by the market. While Staff considered the fair value rate base information submitted by the Applicant, it did not accord that information substantial weight in its analysis.

The rates proposed by this filing are for competitive services. DTC will not provide service to residential end users. DTC provides non-switched private line services. DTC's customers will be sophisticated commercial business customers that typically negotiate contract rates through a competitive process with the ultimate rates provided on an individual case basis ("ICB") by DTC. Customers who do not need individualized offerings and do not require an ICB contract to meet their needs will be able to purchase services at the rates contained in DTC's proposed tariff.

³ DTC Response to Staff Data Request STF 1.6.

⁴ DTC Response to Staff Data Request STF 1.1.

Staff has reviewed the proposed rates to be charged by the Applicant. DTC's rates are for highly competitive services and the services are targeted for commercial business entities. These entities have ample resources and bargaining power to protect their business interests while negotiating for the best market prices for services. The proposed tariff rates are similar to those charged by other providers of point to point services in Arizona. The rate charged for a service shall not be less than the Company's total service long-run incremental cost of providing the service pursuant to A.A.C. R14-2-1109. Therefore, Staff believes that DTC's proposed rates are just and reasonable.

5. REVIEW OF COMPLAINT INFORMATION

The Consumer Services Section of the Utilities Division ("Consumer Services") reports that there have been no complaints, inquiries, or opinions filed against DTC from January 1, 2012 to January 26, 2016. Consumer Services also reports that DTC is in Good Standing with the Corporations Division of the Commission. A search of the Federal Communications Commission's website found that there have been no formal or informal complaint proceedings involving the Applicant.

The Applicant stated DTC is currently certificated to provide telecommunications services in California. Staff contacted the CPUC and was informed that DTC has been licensed by the CPUC since 2012 and there are no complaints registered against DTC.

The Applicant states that it has neither had an application for service denied, nor had its authority to provide service revoked in any jurisdiction. Staff did not find any instances of denied applications or revocation of authority to provide service. The Applicant indicated in the Application that neither it, nor any of its officers, directors or partners have been, or are currently involved in any formal or informal complaint proceedings pending before any state or federal regulatory commission, administrative agency or law enforcement agency. Staff has found no instances of any formal or informal complaint proceedings pending before any state or federal regulatory commission, administrative agency or law enforcement agency involving the Applicant or any of its officers, directors or managers.

6. COMPETITIVE SERVICES ANALYSIS

6.1 Private Line Services

DTC proposes to provide private line service. Private line service is a direct circuit or channel specifically dedicated to the use of an end user organization for the purpose of directly connecting two or more sites in a multi-site enterprise. Private line service provides a means by which customers may transmit and receive messages and data among various customer locations over facilities operated and provided by the Applicant.

6.2 *A Description of the General Economic Conditions that Exist that Make the Relevant Market for the Service One That is Competitive.*

IXCs, ILECs and CLECs each hold a substantial share of the private line market. The Applicant will be entering the market as an alternative provider of private line service and, as such, the Applicant will have to compete with the existing providers of the service in order to obtain customers.

6.3 *The Number of Alternative Providers of the Service.*

IXCs are providers of private line service in the State of Arizona. In addition, ILECs and CLECs also provide private line service.

6.4 *The Estimated Market Share Held by Each Alternative Provider of the Service.*

IXCs, ILECs and CLECs each hold a substantial share of the private line market.

6.5 *The Names and Addresses of any Alternative Providers of the Service That Are Also Affiliates of the Telecommunications Applicant, as Defined in A.A.C. R14-2-801.*

DTC does not have any affiliates that are alternative providers of private line service in Arizona.

6.6 *The Ability of Alternative Providers to Make Functionally Equivalent or Substitute Services Readily Available at Competitive Rates, Terms and Conditions.*

IXCs, ILECs and CLECs have the ability to offer the same services that the Applicant has requested in their respective service territories.

7. RECOMMENDATIONS

The following sections contain Staff recommendations on the Application for a CC&N and the Applicant's petition for a Commission determination that its proposed services should be classified as competitive.

7.1 *Recommendations on the Application for a CC&N*

Staff recommends that Applicant's Application for a CC&N to provide private line telecommunications services, as listed in this Report, be granted. In addition, Staff further recommends:

1. That the Applicant comply with all Commission Rules, Orders and other requirements relevant to the provision of intrastate telecommunications services;
2. That the Applicant be required to notify the Commission immediately upon changes to the Applicant's name, address or telephone number;

3. That the Applicant cooperate with Commission investigations including, but not limited to, customer complaints;
4. The rates proposed by this filing are for competitive services. In general, rates for competitive services are not set according to rate of return regulation. Staff obtained information from the Applicant and has determined that its fair value rate base is zero. Staff has reviewed the rates to be charged by the Applicant and believes they are just and reasonable as they are comparable to other competitive local carriers and local incumbent carriers offering service in Arizona and comparable to the rates the Applicant charges in other jurisdictions. The rate to be ultimately charged by the Company will be heavily influenced by the market. Therefore, while Staff considered the fair value rate base information submitted by the Company, the fair value information provided was not given substantial weight in this analysis; and
5. That the Commission authorize the Applicant to discount its rates and service charges to the marginal cost of providing the services.

Staff further recommends that the Applicant be ordered to comply with the following. If it does not do so, the Applicant's CC&N shall be null and void after due process.

1. The Applicant shall docket conforming tariff pages for each service within its CC&N within 365 days from the date of an Order in this matter or 30 days prior to providing service, whichever comes first. The tariffs submitted shall coincide with the Application.
2. The Applicant shall notify the Commission through a compliance filing within 30 days of the commencement of service to customers; and
3. The Applicant shall abide by the Commission adopted rules that address Universal Service in Arizona. A.A.C. R14-2-1204(A) indicates that all telecommunications service providers that interconnect into the public switched network shall provide funding for the Arizona Universal Service Fund ("AUSF"). The Applicant will make the necessary monthly payments required by A.A.C. R14-2-1204(B).

7.2 *Recommendation on the Applicant's Petition to Have its Proposed Services Classified as Competitive*

Staff believes that the Applicant's proposed services should be classified as competitive. There are alternatives to the Applicant's services. The Applicant will have to convince customers to purchase its services, and the Applicant has no ability to adversely affect the local exchange or interexchange service markets. Therefore, the Applicant currently has no market power in the local exchange or interexchange service markets where alternative providers of telecommunications services exist. Staff therefore recommends that the Applicant's proposed services be classified as competitive.